



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 19, 2009

TO: Mayor and Councilmembers

FROM: Housing and Redevelopment, Community Development Department

SUBJECT: Fiscal Year 2008-2009 Substantial Action Plan Amendment For Use Of 2009 Community Development Block Grant Recovery Act Funds

RECOMMENDATION:

That Council approve the proposed substantial amendment to the City's Fiscal Year 2008-2009 Consolidated Action Plan to include utilizing \$289,274 in American Recovery and Reinvestment Act of 2009 funds.

DISCUSSION:

The American Recovery and Reinvestment Act of 2009 (Recovery Act) was signed into law by President Obama on February 17th, 2009. The Recovery Act provides increased funds for various U.S. Department of Housing and Urban Development (HUD) programs, including the Community Development Block Grant (CDBG) program. HUD has informed staff that the City will be allocated an additional \$289,274 in CDBG Recovery (CDBG-R) funds. In order to receive CDBG-R funds HUD requires that the City make a substantial amendment to its 2008/2009 Action Plan (AP). A draft of the substantial Action Plan amendment is attached. The deadline for submission of the amendment is June 5, 2009.

HUD issued guidance outlining the process for the distribution of CDBG-R funds on May 5, 2009. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings.

Another important aspect of the Recovery Act requires that CDBG-R funds be used to maximize job creation and economic benefit. In addition, the Recovery Act contains provisions requiring that activities funded with CDBG-R funds be under contract within 120 days from the date grant funds are made available.

In order to expedite the process and ensure that the CDBG-R grants are awarded in a timely manner, HUD has waived the requirement that grantees follow their citizen participation process for this substantial amendment. HUD has also shortened the minimum time for citizen comments to 7 calendar days and is requiring that the substantial amendment materials be posted on the City's website.

Staff received the City's CDBG-R funding allocation notice on March 13, 2009. Due to the limited timeframe and lack of guidance from HUD, staff began the City's citizen participation process to amend its 2008 Action Plan in April 2009. This process included a public hearing by the Community Development and Human Services Committee (CDHSC) on the proposed use of funds that was held on April 28, 2009. Staff later learned that this step is not required. Also, the public comment period was 16 days longer than required. The Public Hearing was noticed in the *Daily Sound* and the draft amendment to the Action Plan was made available for public review on the City's webpage (www.SantaBarbaraCa.gov) and hard copies have been placed in the office of the City Clerk, Main Public Library and the Community Development Department from April 26 to May 18, 2009.

Staff reviewed possible projects to determine which ones could meet the basic requirements of CDBG-R funding requirements. From this review, staff developed a list of proposed projects detailed in the attached substantial plan amendment. All of these projects were previously identified as "shovel ready" in an October report submitted to the U.S. Conference of Mayors. These are projects that could be quickly implemented and would involve hiring contractors, which will result in the employment of various trade persons and help stimulate the economy. In addition, three of the proposed projects will promote energy efficiency by replacing the roof at three community centers.

The CDHSC endorsed the use of funds as proposed, noting that there was limited time to receive public input.

ATTACHMENT: 2008 Substantial Action Plan Amendment

PREPARED BY: Brian Bosse, Housing and Redevelopment Manager/SLG

SUBMITTED BY: Paul Casey, Community Development Director

APPROVED BY: City Administrator's Office

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for
Community Development Block Grant – R Funding
City of Santa Barbara**

**First Substantial Amendment to the Consolidated Plan 2008 Action Plan for
the Community Development Block Grant CDBG-Recovery Act**

Grantees eligible to receive funds under the Community Development Block Grant Recovery Act (CDBG-R) are required to complete a substantial amendment to their Consolidated Plan 2008 Action Plan. This form sets forth the format for this substantial amendment. A completed form is due to HUD by **June 5, 2009**.

To aid grantees in meeting this submission deadline, the CDBG-R Notice reduces the requirement for a 30-day public comment period to no less than 7 calendar days for this substantial amendment. With this exception, CDBG-R grantees are required to follow their Consolidated Plan's citizen participation process. To maximize transparency, HUD strongly recommends that each grantee post its substantial amendment materials on the grantee's official website as the materials are developed.

A complete submission contains the following three documents:

- 1) A signed and dated SF-424 and certifications,
- 2) A Substantial Amendment (this form), and
- 3) CDBG-R Activity Data Spreadsheet

For additional information regarding the CDBG-R program, visit the HUD American Recovery and Reinvestment act of 2009 (www.hud.gov/recovery). HUD and its technical assistance providers will regularly update this site to include CDBG-R resources developed.

**First Substantial Amendment to the Consolidated Plan 2008 Action Plan for
Community Development Block Grant – R Funding**

City of Santa Barbara

A. General Information

Grantee Name	City of Santa Barbara
CDBG-R Contact Person	Sue Gray
Title	Community Development Programs Supervisor
Address Line 1	P.O. Box 1990
Address Line 2	
City, State, Zip Code	Santa Barbara, CA 93102-1990
Telephone	805.564.5461
Fax	805.564.5477
Email Address	sgray@santabarbaraca.gov
Authorized Official (if different from Contact Person)	James Armstrong
Title	City Administrator
Address Line 1	P.O. Box 1990
Address Line 2	
City, State, Zip Code	Santa Barbara, Ca 93102-1990
Telephone	805.564.4305
Fax	805.897.1993
Email Address	jarmstrong@santabarbaraca.gov
Web Address where this Form is Posted	www.santabarbaraca.gov

CDBG-R Amount	\$289,274
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B. Citizen Participation and Public Comment

1. Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment (limit 250 words).

A notice in the Santa Barbara Daily Sound was published on April 25, 2009. A public hearing was held at the April 28, 2009 Community Development and Human Services Committee (CDHSC) meeting. The CDHSC made a recommendation to Council on the use of CDBG-R funds. This recommendation is scheduled to go before Council on May 19, 2009. The public comment period ends on May 18, 2009

2. Provide the appropriate response regarding this substantial amendment by checking one of the following options:

- ☐ Grantee did not receive public comments.
- ☐ Grantee received and accepted all public comments.
- ☐ Grantee received public comments and did not accept one or more of the comments.

3. Provide a summary of the public comments regarding this substantial amendment. Include a summary of any comments or views not accepted and the reasons for non-acceptance.

No comments received to date.

C. Use of CDBG-R Funds

1. Description of Activities to be undertaken with CDBG-R funds:

The City Area Target Neighborhood Improvement Program will repair the roof at the Franklin Neighborhood Center to provide residents with a safe, secure and accessible facility; will create safe and clean neighborhoods by installing new landscaping and a new irrigation system at Sunflower Neighborhood Park and a new Playground at the Eastside Neighborhood Park; will repair the roof at a Youth Sports Center to provide youth at-risk for gang involvement a safe and accessible athletic facility; and will install sidewalks and access ramps along portions of the Alisos Street corridor to provide neighborhood residents, who use this road to access neighborhood schools, businesses and community facilities, with improved accessibility.

**First Substantial Amendment to the Consolidated Plan 2008 Action Plan for
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2. Description of how the distribution and uses of CDBG-R funds will meet the requirement of Title XXII of Division A and Section 1602 of the Recovery Act:

The activities listed above were selected based upon their readiness to go out to bid. All six are ready. Three of the six have had NEPA environmental reviews prepared and the other three are in process.

3. Description of how the use of CDBG-R funds for the activities will maximize job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act by: preserving and creating jobs and promoting economic recovery; assisting those most impacted by the recession; providing investment needed to increase economic efficiency; investing in transportation, environmental protection or other infrastructure that will provide long-term economic benefits; or fostering energy independence.

The City of Santa Barbara's Target Area Neighborhood Improvement Program (CTANIP) was developed to target those neighborhoods in the City with the highest proportion of low-income households, population density, over-crowding, renter occupancy ratio, crime rates and sub-standard structures. All six activities are within the CTANIP boundaries. In addition, four of the activities are located in census tract 8.02, which has the highest foreclosure rate score of the City's six low-moderate income census tracts. The other two projects are for improvements in community centers that serve both census tracts 8.02 and 8.01. Residents in both of these low-moderate income census tracts have been impacted by the recession and the proposed projects will augment the CDBG projects that have been completed under the CTANIP program.

Outside contractors will complete all six of the proposed activities. This trade has been hit hard by the economic recession and resulting decline in new construction and remodeling projects. An estimated 4 full-time and 3 part-time jobs will be created or retained by the CDBG-R activities.

4. Description of the activities that will be carried out with CDBG-R funds that promote energy conservation, smart growth, green building technologies or reduced pollution emissions:

Three of the proposed activities are for roof replacement on community center buildings. All three are beyond their life expectancy and their replacement will result in energy conservation.

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D. Authorized Signature

By signing this substantial amendment, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

Signature/Authorized Official

Date

Title

Jurisdiction/Grantee Name: City of Santa Barbara		CDBG-R Formula Grant Amount: \$289,274				Date: May 19, 2009	
Activity Name	Activity Description	Eligibility (Regulatory or HCDA Citation)	National Objective Citation	CDBG-R Project Budget (\$)	Additional Recovery Funds (\$)	Other Leveraged Funding (\$)	Total Activity Budget
City Area Neighborhood Improvement Task Force: Provide improvements to two parks, three community centers and add access ramps along a heavily-travelled corridor in two low-moderate income census tracts. Each Activity is described below:							
Franklin Center:	Replace roofing on all sections except Southeast sloped roof and equipment well. Install new flashing and roof jacks. Replace rotten decking and install new underlayment. Install tiles according to industry standards.	570.201(c)	570.208(a)(1)	\$65,000	\$0	\$0	\$65,000
Haley Street Youth Sports Center:	Replace roofing reusing undamaged clay tiles. Install new flashing and roof jacks. Replace rotten decking and install new underlayment. Install tiles according to industry standards.	570.201(c)	570.208(a)(1)	\$25,000	\$0	\$0	\$25,000
Ortega Welcome House:	Replace roofing with new dimensional shingles. Install new flashing, drip edges and roof jacks. Install new plywood decking and underlayment. Install tiles according to industry standards.	570.201(c)	570.208(a)(1)	\$20,000	\$0	\$0	\$20,000

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Sunflower Park:	Renovate the park's landscape to provide the neighborhood residents with an aesthetically pleasing park, by removing dead/dying overgrown shrubs and replacing with new plant material. The project will also grade, amend and mulch soil for optimal plant health; as well as repair broken irrigation components and upgrade as required to provide water conservation.	570.201(c)	570.208(a)(1)	\$27,000	\$0	\$0	\$27,000
Eastside Neighborhood Park:	The playground in the park is the only site in the vicinity that's designed for 2-5 year-old children and the equipment and surfacing needs to be replaced. The proposed replacement plan includes a play structure, swing set, and a high quality poured-in-place rubber surfacing. The sand would also be removed and replaced with engineered wood fiber.	570.201(c)	570.208(a)(1)	\$63,000	\$0	\$0	\$63,000
Alisos St. Sidewalk Infill:	Improve walkability and accessibility on portions of the Eastside Alisos Street corridor by constructing sidewalks, as well as access ramps at intersections in this heavily-traveled corridor.	570.201(c)	570.208(a)(1)	\$89,274	\$0	\$0	\$89,274
TOTAL				\$289,274	\$0	\$0	\$289,274